

IN THE UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

FILED

JAN - 7 2015

U. S. DISTRICT COURT
EASTERN DISTRICT OF MO
ST. LOUIS

UNITED STATES OF AMERICA,)

Plaintiff,)

vs.)

JOHN WEHRLE,)

Defendant.)

Case No.

4:15CR00005 RLW/NAB

INDICTMENT

The Grand Jury charges that:

COUNT I

Introduction

1. Between January 1, 2008 and continuing through at least October 17, 2011 (the "relevant time period"), the Defendant resided in St. Louis County within the Eastern District of Missouri.
2. During the relevant time period, the Defendant, along with others, was a founder and managing partner of venture capital investment management companies, including companies doing business as Gryphon Investments II, LLC and Gryphon Holdings II, LLLP (the "Gryphon entities"). As a managing partner, Defendant raised funds, managed portfolio company investments and realizations and structured and managed both private equity funds and co-investment vehicles.
3. Upon the sale of any portfolio company, investing partners of the Gryphon entities were entitled to a distribution of funds according to a contract or agreement with a Gryphon entity. Such sales generated funds that initially flowed to a bank account ending in 0886 which was controlled by the Defendant at U.S. Bank, a financial institution.

4. During the relevant time period, the Defendant withdrew funds by wire transfer from the aforementioned U.S. Bank account to his personal bank account ending in 0100 at Carrollton Bank, a financial institution. During the 2008 and 2010 tax years, Defendant made approximately fifteen wire transfers from the U.S. Bank account to his personal bank account totaling more than \$700,000.
5. The Defendant filed his 2008 U. S. Individual Income Tax Return Form 1040 on or about March 22, 2010. The Defendant did not report any of the aforementioned wire transfers on his return.
6. The Defendant filed his 2010 U.S. Individual Income Tax Return Form 1040 on or about October 17, 2011. The Defendant did not report any of the aforementioned wire transfers on his return.
7. During May 2011, the Internal Revenue Service undertook an audit of a Gryphon entity. During the audit, the Defendant responded to questions from the company's accountants and provided information to be shared with the auditors and to answer auditors' inquiries.
8. At some point during the audit, IRS personnel discovered the aforementioned transfers from Gryphon entity accounts to the Defendant's personal bank accounts and questioned the company's accountants about them.
9. On or about June 23, 2011, one day before a scheduled meeting between the company's accountants and the lead revenue agent for the audit, the Defendant indicated to the company accountants that the questioned distributions were loans and therefore should not be deemed income to him. The Defendant created documents to support his claim and provided them, via e-mail, to the company accountants. Although created in June 2011, the documents purported to have been executed in January 2010.

Offense Conduct

10. On or about March 22, 2010, in St. Louis County within the Eastern District of Missouri,

JOHN WEHRLE,

the Defendant herein, did knowingly and willfully attempt to evade or defeat a tax imposed by Title 26 of the United States code, to wit: a substantial amount of 2008 federal income taxes.

In violation of Title 26, United States Code Section 7201.

COUNT II

The Grand Jury further charges that:

11. The allegations contained in paragraphs 1 through 10 are hereby realleged and incorporated by reference.

12. On or about October 17, 2011, in St. Louis County within the Eastern District of Missouri,

JOHN WEHRLE,

the Defendant herein, did knowingly and willfully attempt to evade or defeat a tax imposed by Title 26 of the United States code, to wit: a substantial amount of 2010 federal income taxes.

In violation of Title 26, United States Code Section 7201.

COUNT III

The Grand Jury further charges that:

13. The allegations contained in paragraphs 1 through 12 are hereby realleged and incorporated by reference.

14. On or about March 22, 2010, in the Eastern District of Missouri,

JOHN WEHRLE,

a resident of St. Louis County, Missouri, did willfully make and subscribe a 2008 U.S. Individual Income Tax Return Form 1040, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material

matter. That tax return, which was prepared and signed in the Eastern District of Missouri and was filed with the Internal Revenue Service, stated that Defendant's income was \$295,139 whereas, as he then and there knew, Defendant's income was substantially greater than reported.

In violation of Title 26, United States Code Section 7206(1).

COUNT IV

The Grand Jury further charges that:

15. The allegations contained in paragraphs 1 through 14 are hereby realleged and incorporated by reference.

16. On or about October 17, 2011, in the Eastern District of Missouri,

JOHN WEHRLE,

a resident of St. Louis County, Missouri, did willfully make and subscribe a 2010 U.S. Individual Income Tax Return Form 1040, which was verified by a written declaration that it was made under the penalties of perjury and which he did not believe to be true and correct as to every material matter. That tax return, which was prepared and signed in the Eastern District of Missouri and was filed with the Internal Revenue Service, stated that Defendant's income was \$84,661 whereas, as he then and there knew, Defendant's income was substantially greater than reported.

In violation of Title 26, United States Code Section 7206(1).

A TRUE BILL

FOREPERSON

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